

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Mark Acton, Vice Chairman;
Nanci E. Langley; and
Robert G. Taub

Hamilton Post Office
Hamilton, Iowa

Docket No. A2011-26

ORDER AFFIRMING DETERMINATION

(Issued November 8, 2011)

I. INTRODUCTION

On July 21, 2011, Bruce Pettyjohn (Petitioner) filed an appeal with the Commission seeking review of the Postal Service's determination to close the Hamilton, Iowa post office (Hamilton post office).¹ After review of the record in this proceeding, the Commission affirms the Final Determination to close the Hamilton post office.

¹ Petition for Review Received from Bruce Pettyjohn Regarding Hamilton, IA Post Office 50116, July 14, 2011 (Petition). Additional letters were filed by members of the community.

II. PROCEDURAL HISTORY

In Order No. 768, the Commission established Docket No. A2011-26 to consider the appeal, designated a Public Representative, and directed the Postal Service to file the Administrative Record and any pleadings responding to the appeal.²

On August 5, 2011, the Postal Service filed the Administrative Record with the Commission.³ The Postal Service also filed comments requesting that the determination to close the Hamilton post office be affirmed.⁴

Petitioner filed a participant statement in support of his petition.⁵ On August 25, 2011, the Public Representative filed comments.⁶

III. BACKGROUND

Hamilton post office is located in Hamilton, Iowa. Final Determination at 2. Hamilton post office provides window service from 10:30 a.m. to 2:45 p.m., Monday through Friday, and 10:30 a.m. to 11:45 p.m. on Saturday. *Id.* In addition to providing retail services, e.g., sale of stamps, stamped paper, and money orders, it provides service to 34 post office box customers and 83 delivery customers. Administrative Record, Item No. 33 at 2; see *also* Postal Service Comments at 2.

The Postal Service has made a determination to close the Hamilton post office and provide rural route delivery and retail service through the Bussey post office located 4 miles away. There are 64 post office boxes available at the Bussey post office for customers opting for such service. Final Determination at 2.

² Notice and Order Accepting Appeal and Establishing Procedural Schedule, July 22, 2011 (Order No. 768).

³ The Administrative Record is attached to United States Postal Service Notice of Filing, August 5, 2011; see *also* United States Postal Service Notice of Filing Corrected Administrative Record—Errata August 22, 2011 (Administrative Record). The Administrative Record includes the Final Determination to Close the Hamilton Post Office and Establish Service by Rural Route Service (Final Determination).

⁴ United States Postal Service Comments Regarding Appeal, September 14, 2011 (Postal Service Comments).

⁵ Participant Statement Received from Bruce Pettyjohn, August 9, 2011 (Pettyjohn Statement).

⁶ Public Representative Comments, August 25, 2011 (PR Comments).

The Postal Service reports that the Hamilton post office retail window averaged 3 transactions accounting for 4 minutes of retail workload daily. The Postal Service adds that between 2008 and 2010 office receipts have declined by 40.9 percent to less than \$5,000. *Id.* at 2

Window service hours at the Bussey post office are from 9:00 a.m. to 12:00 p.m. and 1:00 p.m. to 4:15 p.m., Monday through Friday, and 9:30 a.m. through 10:15 a.m. on Saturday. *Id.* The Postal Service indicates that effective and regular rural route delivery and retail service will continue to be provided by the Bussey post office.

On March 14, 2011, the Postal Service distributed questionnaires regarding the possible change in service at the post office to post office box customers. Additional questionnaires were available at the counter to walk-in customers. A total of 117 questionnaires were distributed, and 50 were returned. *Id.* On March 29, 2011, representatives from the Postal Service were available at Hamilton Community Center to answer questions and provide information to customers regarding the possible closure. *Id.*

IV. PARTICIPANT PLEADINGS

Petitioner. Petitioner opposes the closure of the Hamilton post office. In support of his position, he argues that the closing is not practical for several reasons. He explains that providing rural route delivery would be difficult because the East Street road is not sturdy enough to support mailboxes. Littlejohn Statement at 1. Petitioner further contends that there are not enough post office boxes at the Bussey post office to accommodate the customers from the Hamilton post office. *Id.* at 2. Petitioner adds that there are other post offices more suited for closure. *Id.*

Postal Service. The Postal Service argues that the Commission should affirm its determination to discontinue the Hamilton post office. Postal Service Comments at 2. The Postal Service maintains that in making its determination, it has followed the proper closing procedures pursuant to 39 U.S.C. § 404(d) and carefully considered the required factors of section 404(d)(2). *Id.* at 3.

The Postal Service explains that in addition to posting the Proposal and Final Determination, it distributed questionnaires to delivery customers. Questionnaires were also made available at the counter to retail customers. *Id.*

The Postal Service explains that its decision to close the Hamilton post office was based on several factors, including:

- the postmaster vacancy;
- a minimal workload, low office revenue (including the convenience of rural delivery and retail service);
- very little recent growth in the area; and
- expected financial savings.

Id. at 4.

The Postal Service also addresses the concerns raised by Petitioner. For example, the Postal Service discusses the issue of mail security. The Postal Service explains that cluster box units can offer the security of individually locked compartments. *Id.* at 6.

Public Representative. The Public Representative concludes that the decision to close the Hamilton post office should be affirmed. He explains that the record overwhelmingly addresses the issues raised by Petitioner. PR Comments at 3. The Public Representative notes that the issue regarding the condition of the East Street road may be resolved by installing a cluster box unit in Hamilton. *Id.* at 2.

V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal Service's determination to close or consolidate a post office on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds to be

(a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. 39 U.S.C. § 404(d)(5).

Notice of the Postal Service's proposal to close the Hamilton post office with an invitation for public comment was posted at the Hamilton and Bussey post offices from April 18, 2011 through June 19, 2011. Postal Service Comments at 4. The Final Determination to close the Hamilton post office was posted at the same two post offices from July 7, 2011 through August 8, 2011. Administrative Record, Item No. 32 at 1; *id.* Item No. 48 at 1; see *also* Postal Service Comments at 4.

Based on a review of the record, the Commission finds that the Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on

postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C. § 404(d)(2)(A).

Effect on the community. As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. As part of its investigation, on March 14, 2011, the Postal Service distributed 117 questionnaires to Hamilton delivery customers. Final Determination at 2. Questionnaires also were available over the counter for retail customers at the Hamilton post office. *Id.* Fifty questionnaires were returned. One was unfavorable, four were favorable, and forty-five expressed no opinion regarding the proposed alternate service. *Id.*

On March 29, 2011, the Postal Service also held a community meeting attended by 11 customers. *Id.*; see also Administrative Record, Item No. 24.

The Postal Service addressed the various concerns raised by customers. For example, it indicated that the community's identity would be preserved because all mail would continue to be addressed to Hamilton, IA 50116. Final Determination at 3; see also Postal Service Comments at 9. Further, it noted that nonpostal services, such as a community bulletin board and government forms, would be available at the Bussey post office. Final Determination at 2; see also Administrative Record, Item Nos. 23 and 25.

Upon review of the record in this proceeding, the Commission concludes that the Postal Service has satisfied the requirement that it consider the effect of closing on the community. 39 U.S.C. 404(d)(2)(i).

Effective and regular service. The Postal Service contends that it has considered the effect the closing will have on service. Postal Service Comments at 5. The current 34 post office box customers will receive rural route delivery, although they may opt to continue post office box service at the Bussey post office. Final Determination at 2. The existing 83 rural route delivery customers will continue to receive the same service emanating from the Bussey post office. Postal Service Comments at 6.

Petitioner contends that there are not enough post office boxes at the Bussey post office to accommodate the customers from the Hamilton post office. Pettyjohn Statement at 2. The record indicates that there are 34 post office box customers at the Hamilton post office and 64 post office boxes available at the Bussey post office. Final Determination at 2; see *also* Administrative Record, Item No. 13. The record indicates that there are an adequate number of post office boxes at the Bussey post office.

Petitioner also suggests that recent road repairs may make it difficult for certain customers to install a mailbox and may present delivery problems for the rural carrier. Pettyjohn Statement at 1-2. This specific issue does not appear to have been raised in any comments received by the Postal Service. See PR Comments at 2; Postal Service Comments at 7. However, in response to a more general concern, the Postal Service explained mailbox installation and maintenance requirements, and indicating that advice was available from local postal officials. Final Determination at 4.

Some patrons expressed concerns regarding customers with disabilities and senior citizens who are not able to go to the post office to pick up their mail. The Postal Service indicates that customers are not required to travel to another post office to pick up their mail because these services will be provided by carriers at a roadside mailbox located near the customer's residence. *Id.* at 2-3. In addition, the Postal Service stated that "[s]pecial provisions are made for hardship cases or special customer needs." *Id.* at 3.

Customers also expressed concern about their 911 addresses. The Postal Service explains that it does not establish 911 addresses. The Postal Service notes that questions concerning this issue should be directed to the county's 911 coordinator. *Id.*

Based on a review of the record, the Commission concludes that Hamilton customers will continue to receive effective and regular service. 39 U.S.C. §404(d)(2)(A)(iii).

Economic savings and effect on employees. The Postal Service estimates total annual savings of \$16,157. Final Determination at 7. It derives this figure by summing

the following costs: postmaster salary and benefits \$19,229; and annual lease costs \$15, minus the cost of replacement service \$3,087.

The Hamilton postmaster retired in September 2002. Since that time, the post office has been run by a temporary officer-in-charge, a non-career postmaster relief (PMR). Final Determination at 2, 7. The non-career postmaster relief may be separated from the Postal Service and no other employees will be adversely affected. *Id.* at 7. No commenter contests the Postal Service's estimated savings.

The Commission finds that the Postal Service has taken economic savings into account.

VI. CONCLUSION

Based on its review of the record before it, the Commission concludes that the Postal Service has adequately considered all requirements of 39 U.S.C. § 404(d). Accordingly, its determination to close the Hamilton post office and provide rural route delivery is affirmed.

It is ordered:

The Postal Service's determination to close the Hamilton post office is affirmed.

By the Commission.

Shoshana M. Grove
Secretary